

## Message Text

SECRET

PAGE 01 VIENTI 00011 01 OF 02 031152Z  
ACTION SS-25

INFO OCT-01 ISO-00 SSO-00 /026 W  
-----031158Z 054504 /14

R 031005Z JAN 77  
FM AMEMBASSY VIENTIANE  
TO SECSTATE WASHDC 7519

S E C R E T SECTION 1 OF 2 VIENTIANE 0011

EXDIS

E.O. 11652: GDS  
TAGS: PFOR LA US  
SUBJ: FUTURE COURSE OF U.S. RELATIONS WITH LAOS

REF: (A) 75 VIENTIANE 5728, (B) 75 STATE 270314, (C)  
VIENTIANE 6476, (D) VIENTIANE 537, (E) 76 STATE 134812,  
(F) 76 VIENTIANE 1310, (G) 76 STATE 144785, (H) 76  
VIENTIANE 1420, (I) 76 VIENTIANE 1723, (J) 76  
VIENTIANE A-40.

SUMMARY: OUR RELATIONS WITH LPDR REMAIN AT CORRECT  
LEVEL WITH LPDR INSISTING ON ECONOMIC ASSISTANCE AND CESSATION  
OF ALLEGED AID TO REACTIONARIES AS CONDITIONS FOR ANY IMPROVE-  
MENT, WHILE WE STRESS THE IMPORTANCE OF THE MIA QUESTION AND  
CANNOT DISCUSS ECONOMIC ASSISTANCE. SOVIET INFLUENCE OVER-  
SHADOWS PRC INFLUENCE IN LAOS BUT VIETNAMESE INFLUENCE IS  
CLEARLY DOMINANT. LPDR "REVOLUTION" IS PROCEEDING WITH INCREASING  
VIOLATION OF HUMAN RIGHTS. PREEMINENCE OF VIETNAMESE INFLUENCE  
IN LAOS AND PREDOMINANCE OF VIETNAMESE POWER IN SOUTHEAST ASIA  
SUGGEST FUTURE COURSE OF US RELATIONS WITH LAOS WILL BE  
LARGELY DETERMINED BY U.S. RELATIONS WITH VIET-NAM. U.S.  
RELATIONS WITH VIET-NAM IN TURN ARE LIKELY TO BE AFFECTED BY  
SOUTHEAST ASIAN VIEW OF VIETNAMESE INTENTIONS. ANY FUTURE  
U.S.-VIETNAMESE DIALOGUE SHOULD BE ACCOMPANIED BY PARALLEL  
DIALOGUE WITH LPDR TO MINIMIZE DIFFICULTIES WITH LATTER. END  
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SUMMARY.

1. THIS TELEGRAM IS A COMPANION PIECE TO AIRGRAM A-40 OF  
DECEMBER 31, 1976, WHICH DESCRIBED EVENTS AFFECTING US/LAO  
RELATIONS SINCE OUR LAST COMPREHENSIVE REPORT (REF D).
2. THE LAO PEOPLE'S DEMOCRATIC REPUBLIC'S (LPDR) CONCEPT OF

DIPLOMATIC RELATIONS WITH THE UNITED STATES IS BASED ON THE ASSUMPTION THAT WE ARE MAINTAINING A DIPLOMATIC PRESENCE IN LAOS BECAUSE WE FIND IT USEFUL IN THE WAKE OF THE INDOCHINA DEBACLE AND THAT WE SHOULD THEREFORE PAY FOR IT. SUCH PAYMENT, THEY THINK, SHOULD TAKE THE FORM OF A CONTRIBUTION TO "BINDING UP THE WOUNDS OF WAR". THE LAO WANT SUCH A CONTRIBUTION FOR POLITICAL AS WELL AS ECONOMIC REASONS. THEY HAVE MAINTAINED FOR A LITTLE OVER A YEAR,NOW, THAT SOME SUCH CONTRIBUTION IS AN INDISPENSABLE CONDITION FOR ANY IMPROVEMENT IN US/LAO RELATIONS. MEANWHILE, OUR RELATIONS REMAIN ON THE "CORRECT" LEVEL. IN PRACTICE THIS MEANS THE LPDR AUTHORITIES ARE POLITE ON THE SURFACE BUT HOSTILE BENEATH THE SURFACE AND IN THEIR PROPAGANDA.

3. THE LPDR IS CLOSELY LINKED TO THE SRV THROUGH PERSONAL ASSOCIATION OF THE LEADERS, LONG STANDING PARTY TIES, A HISTORY OF WARTIME COOPERATION, GEOGRAPHY AND IDEOLOGY. THE RELATIONSHIP IS A CLOSE AND SPECIAL ONE AND MARKED BY THE FACT THAT VIET-NAM'S POPULATION IS ABOUT 45 MILLION PEOPLE WHILE THE POPULATION OF LAOS IS NO MORE THAN 3,500,000 PEOPLE (OPTIMISTIC ESTIMATE BY VICE FOREIGN MINISTER LAST FEBRUARY), OF WHOM ONLY ABOUT ONE HALF ARE ETHNIC LAO. THE REST ARE THE SAME SORT OF INDOCHINESE MOUNTAINEERS AS THE TWO MAJOR GROUPINGS FOUND IN NORTH AND SOUTH VIET-NAM. THERE IS A CONSIDERABLE VIETNAMESE MILITARY PRESENCE IN POSITION IN LAOS. UNDER ALL THESE CIRCUMSTANCES IT IS HIGHLY UNLIKELY THAT THE LAO LEADERSHIP WOULD BE ABLE TO PURSUE A POLICY INDEPENDENT OF THE WISHES OF THE SRV EVEN IF IT WANTED TO.

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4. THE OLD LAOS, AS WE HAVE REPORTED IN DETAIL OVER THE PAST SIXTEEN MONTHS, HAS LONG GONE AND WITH IT HAVE GONE "NORMAL DIPLOMATIC PROCEDURES" AND ALL THE CLICHES ABOUT "LITTLE LAOS". THE "REVOLUTION", IS GOING FORWARD, SLOWLY AND AWKWARDLY, BUT STEADILY. THE LPDR LEADERS MAKE NO APOLOGIES FOR THE ARRESTS AND INTERNAL EXILE OF LARGE NUMBERS OF PEOPLE.

5. THEY ARE CONFIDENT OF THE SUPPORT OF THE COMMUNIST WORLD, MAINTAIN THAT THIRD WORLD OPINION SUPPORTS THEM AND CLAIM TO BELIEVE THAT U.S. PUBLIC OPINION, AS DISTINGUISHED FROM U.S. GOVERNMENT POLICY, ALSO SUPPORTS THEM.

6. THEY CONSIDER THAT THE UNITED STATES AND THAILAND ARE SUPPORTING LAO REACTIONARIES WHO ARE TRYING TO OVERTHROW THE LPDR REGIME. THEY ARE DEAF TO ASSURANCES TO THE CONTRARY AND AT THE SAME TIME UNABLE TO DOCUMENT THEIR CHARGES.

7. ALTHOUGH THE LPDR IS CLOSELY UNITED WITH THE SRV, SOVIET

ASSISTANCE AND VISIBLE PRESENCE IN LAOS (AND VIET-NAM) ARE OF GREAT POLITICAL AND ECONOMIC IMPORTANCE. SOVIET INFLUENCE CLEARLY OVERSHADOWS THAT OF THE PRC AT PRESENT IN BOTH LAOS AND VIET-NAM, BUT WE STILL BELIEVE THAT IN THE LONG RUN CONSIDERATIONS OF RACE, STYLE AND GEOGRAPHY WILL ALTER THIS BALANCE.

8. WE FIND NO SUBSTANCE IN REPORTS WHICH RECUR FROM TIME TO TIME THAT THERE IS A SPLIT IN THE LPDR LEADERSHIP ON THE ISSUE OF ORIENTATION EXCLUSIVELY TOWARDS THE COMMUNIST POWERS VERSUS OPENING TOWARD THE NON-COMMUNIST WORLD. THERE ARE NO DOUBT DIFFERENCES OF OPINION AMONG THE LEADERSHIP BASED ON PERSONALITY CONFLICTS AND PERSONAL AMBITION. IT IS NOT LIKELY THAT THE SRV WOULD TOLERATE ANY INDEPENDENT OPENING OF LAOS TOWARDS A NON-COMMUNIST THAILAND OR OTHER NON-COMMUNIST POWERS.

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ACTION SS-25

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R 031005Z JAN 77  
FM AMEMBASSY VIENTIANE  
TO SECSTATE WASHDC 7520

S E C R E T SECTION 2 OF 2 VIENTIANE 0011  
C O R R E C T E D C O P Y (TEXT PAGE 2 MISSING)  
EXDIS

9. IN MID-AUGUST, 1975, THE UNITED STATES WAS INTERESTED IN DETERMINING IF WE COULD CONTINUE TO HAVE RELATIONS WITH THE GOVERNMENT OF LAOS (PGNU) IN THE LIGHT OF THE RECENT ANTI-AMERICAN GOVERNMENT ACTIONS AND GOVERNMENT-FOMENTED DEMONSTRATIONS. WE ARE PREPARED TO MAINTAIN SUCH RELATIONS BUT NOT AT A GREAT PRICE. BY DECEMBER, 1975, OUR POSITION HAD BECOME THAT THE HEALING EFFECTS OF TIME WERE NEEDED IN INDOCHINA AND THAT OUR ATTITUDE TO THE GOVERNMENTS OF THE THREE COUNTRIES OF THE REGION INCLUDING LAOS WOULD BE DETERMINED BY THEIR ATTITUDE TOWARDS US AND TOWARD THEIR NEIGHBORS. A LEGISLATIVE PROHIBITION MAKES IT IMPOSSIBLE FOR US TO CONSIDER ECONOMIC ASSISTANCE TO LAOS AND WE HAVE MADE IT CLEAR THAT WE ATTACH GREAT IMPORTANCE TO ACQUIRING INFORMATION ON OUR MISSING IN ACTION IN LAOS. VISITS BY THE MONTGOMERY COMMITTEE STAFFDEL AND CODEL AND VARIOUS APPROACHES BY THE EMBASSY TO THE FOREIGN OFFICE HAVE STRESSED THE IMPORTANCE OF THE MIA QUESTION. THE LAO

HAVE MADE IT CLEAR THAT ALTHOUGH THEY WOULD LOOK FOR OUR MIAS IN THE PROCESS OF LOOKING FOR THEIR OWN, THE DIFFICULTY OF THEIR TERRAIN AND THE HIGHER PRIORITY THEY ACCORDED TO RE-CONSTRUCTION OF THE COUNTRY MEANS A VERY LOW PRIORITY IS BEING ASSIGNED THE MIA PROBLEM.

10. THUS THERE IS A BASIC CONTRADICTION BETWEEN THE UNITED STATES POSITION STRESSING THE IMPORTANCE OF THE MIA QUESTION AND EXCLUDING CONSIDERATION OF ECONOMIC ASSISTANCE AND THE  
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LPDR POSITION ATTACHING VERY LOW ORDER OF PRIORITY TO THE MIA QUESTION AND MAKING ECONOMIC ASSISTANCE AN INDISPENSABLE CONDITION TO IMPROVEMENT OF RELATIONS.

11. HOWEVER, EVEN IF THE MIA QUESTION AND THE SPECIFIC PROHIBITION ON ECONOMIC ASSISTANCE TO LAOS COULD BE RESOLVED, THE PRACTICAL EXPERIENCE OF OTHER NON-COMMUNIST COUNTRIES DOES NOT SUGGEST THAT THESE TWO DEVELOPMENTS WOULD LEAD TO ANY GREAT BREAKTHROUGH IN IMPROVEMENT OF US/LAO RELATIONS. JAPAN, THE UNITED KINGDOM, AUSTRALIA, THE FEDERAL REPUBLIC OF GERMANY AND THAILAND ALL HAVE ECONOMIC ASSISTANCE PROGRAMS OF ONE SORT OR ANOTHER IN LAOS. NONE OF THESE COUNTRIES HAS EXPERIENCED ANY PARTICULAR AMELIORATION OF ITS DIPLOMATIC RELATIONS WITH LAOS BECAUSE OF ITS ASSISTANCE CONTRIBUTION. ALL OF THEM HAVE BECOME AWARE OF THE LPDR INABILITY TO ABSORB ECONOMIC ASSISTANCE EFFECTIVELY. THE LPDR HAS STATED IT WANTS AID FROM ALL SOURCES BUT IT DIVIDES THE COUNTRIES WITH WHICH IT MAINTAINS DIPLOMATIC RELATIONS INTO TWO CATEGORIES: FRATERNAL COUNTRIES (COMMUNIST) AND FRIENDLY COUNTRIES (NON-COMMUNIST). THE MAJOR ECONOMIC AID DONORS EXCEPT FOR USSR AND PRC ARE IN THE LATTER CATEGORY BUT THE BETTER RELATIONS ARE MAINTAINED WITH THOSE IN THE FORMER.

12. AGAIN, IF THE MIA PROBLEM AND THE SPECIFIC LEGISLATIVE PROHIBITION AGAINST AID TO LAOS COULD SOMEHOW BE RESOLVED AND EVEN IF THE LAO INABILITY TO ABSORB ECONOMIC ASSISTANCE COULD BE SOMEHOW CORRECTED, IT WOULD STILL BE NECESSARY TO ADDRESS THE IMPORTANT QUESTION OF "HUMAN RIGHTS". 76 VIENTIANE 1255 ON "HUMAN RIGHTS IN LAOS - 1976" AND OUR SUBSEQUENT REPORTING ON CONTINUED ARBITRARY ARRESTS AND CONFINEMENT WITHOUT DUE PROCESS GIVE AN IDEA OF THE DIMENSIONS OF THIS PROBLEM IN LAOS. WHILE THEY DO NOT APPROACH THOSE OF THE SAME PROBLEM IN VIET-NAM AND CAMBODIA, THEY ARE NEVERTHELESS CONSIDERABLE AND EXPANDING.

13. GIVEN THE PREEMINENCE OF VIETNAMESE INFLUENCE IN LAOS AND  
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THE PREDOMINANCE OF VIETNAMESE MILITARY POWER IN SOUTHEAST ASIA, IT SEEMS THAT THE FUTURE COURSE OF U.S. RELATIONS WITH LAOS WILL BE LARGELY DETERMINED BY THE DEVELOPMENT OF U.S. RELATIONS WITH VIET-NAM.

14. THE DEVELOPMENT OF OUR RELATIONS WITH VIET-NAM IS LIKELY IN TURN TO BE AFFECTED BY THE WAY IN WHICH OTHER SOUTHEAST ASIAN COUNTRIES REGARD VIET-NAM. TWO QUITE DIFFERENT COUNTRIES, STRONGLY ANTI-COMMUNIST THAILAND AND EXTREMELY COMMUNIST KAMPUCHEA, INFLUENCED NO DOUBT BY HISTORICAL CONSIDERATIONS, APPEAR TO BE, RESPECTIVELY, DOUBTFUL AND RETICENT IN THEIR CURRENT ESTIMATES OF VIETNAMESE INTENTIONS. IT IS PROBABLY THAT KAMPUCHEA AND THAILAND AND SOME OF THE OTHER SOUTHEAST ASIAN COUNTRIES PREFER TO SEE THE FUTURE ESSENTIALLY IN TERMS OF BALANCING BETWEEN CHINESE AND VIETNAMESE INFLUENCE RATHER THAN IN TERMS OF A DOMINANT VIET-NAM BALANCING BETWEEN SOVIET AND CHINESE INFLUENCE.

15. DESPITE, OR PERHAPS BECAUSE OF, THE PREPONDERANT VIETNAMESE INFLUENCE IN LAOS AND THE CLOSE COORDINATION BETWEEN HANOI AND VIENTIANE ON FOREIGN POLICY MATTERS, THE LPDR BECOMES SENSITIVE WHEN OUTSIDERS APPEAR TO TAKE THE RELATIONSHIP TOO MUCH FOR GRANTED. THEREFORE, WHEN AND IF ANY REAL UNITED STATES/VIET-NAM DIALOGUE DEVELOPS IT WILL BE IMPORTANT FOR THE UNITED STATES TO TAKE LPDR SENSITIVITIES INTO ACCOUNT BY MAINTAINING SOME SORT OF PARALLEL DIALOGUE WITH THE LPDR. IN PREPARATION FOR SUCH AN EVENTUALITY WE MIGHT, FOR OUR OWN PLANNING PURPOSES, RECOGNIZE THAT IT IS EXTREMELY UNLIKELY THAT WE WILL EVER OBTAIN EITHER THE RETURN OF THE U.S. COMPOUNDS TAKEN OVER BY THE LPDR IN 1975 OR ANY REAL COMPENSATION FOR THEM. WE MIGHT FIND IT USEFUL TO CALCULATE A DOLLAR FIGURE REPRESENTING THE FAIR VALUE OF THE COMPOUNDS AND THEIR CONTENTS PLUS THE COST OF CLAIMS FOR PERSONAL PROPERTY SETTLED BY THE U.S. GOVERNMENT. WE MIGHT THEN, WHEN LEGALLY POSSIBLE AND POLITICALLY APPROPRIATE, BE PREPARED TO DISCUSS THIS SUM, OR EVEN MAKE A VIRTUE OF NECESSITY BY WRITING IT OFF, IN RELATION TO ANY FUTURE PROPOSAL FOR ASSISTANCE TO LAOS. WE MIGHT ALSO, AS A TALKING POINT,

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COMPUTE THE TOTAL OF OUR CONTRIBUTIONS TO UN AGENCIES, THE WORLD BANK AND THE ASIAN DEVELOPMENT BANK WHICH, IN EFFECT, FACILITATE ASSISTANCE BY THOSE BODIES TO LAOS REGARDLESS OF LEGAL LIMITATIONS ON THE DISTRIBUTION OF OUR SPECIFIC CONTRIBUTIONS.

16. RECOMMEND DEPARTMENT DISTRIBUTE THIS MESSAGE TO CIA, DIA, USIA, CINCPAC FOR POLAD AND APPROPRIATE FOREIGN SERVICE POSTS. CORCORAN

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## Message Attributes

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